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BOBANGO & HELLEN, PLC**

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Charles B. Welch, Jr.
cwelch@farrismathews.com

Writers Direct Dial:
615-687-4230

August 7, 2003

Chairman Deborah Tate
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

RE: Application for Certificate of Public Convenience and Necessity;
Integrated Resources Management Utility, Inc.

03-00467

Dear Chairman Tate:

Please find enclosed an original and 14 copies of the above referenced Application for Certificate of Public Convenience and Necessity to be filed pursuant to TRA Rule 1220-1-1.03 et seq. I have enclosed our firm check in the amount of \$25.00 to cover the filing fee. Please date stamp a copy for our records.

Thank you for your assistance regarding this matter. If you have any questions or if I may be of further assistance, please do not hesitate to contact me.

Very truly yours,

FARRIS MATHEWS BRANAN
BOBANGO & HELLEN, PLC

cad
Charles B. Welch Jr.

Charles B. Welch, Jr.

CBW/cad

Enclosures

**BEFORE THE
TENNESSEE REGULATORY AUTHORITY**

Application of)
)
)

**Integrated Resource Management
Utility, Inc.**)
)
)

For a Certificate of Public)
Convenience and Necessity to Provide)
Wastewater Systems Services)
)

Docket No. 03-00467

**APPLICATION OF INTEGRATED RESOURCE MANAGEMENT UTILITY, INC. FOR
A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE
WASTEWATER SYSTEMS SERVICES**

Integrated Resource Management Utility, Inc. ("IRM"), by its undersigned counsel, pursuant to Tennessee Code Annotated, §65-4-201 et seq, and Chapter 1220-1-1-.03 of the Tennessee Regulatory Authority's ("Authority") Rules and Regulations, submits its application for a Certificate of Public Convenience and Necessity to operate wastewater disposal systems. IRM contends that approval of the Application is in the public interest in that its services will be benefit rural consumers and, in support thereof, IRM states as follows:

I. DESCRIPTION OF SERVICES

1. IRM Utility, Inc. has a proposed agreement to operate wastewater treatment systems for Cove Mountain Realty and Valley Mart Exxon, both located in Sevier County, Tennessee. These two commercial properties are owned by Cove Mountain Realty, Inc. and Mr. Gerald L. Miller, respectively (the "Owner(s)").

2. The system at Cove Mountain Realty has been installed and is operational. There is an existing subsurface sewage disposal system (drainfield system) operating at the Valley Mart

Exxon. The proposed system at the Valley Mart Exxon will be an upgrade to the existing system at the direction and expense of the owner prior to IRM assuming ownership.

3. IRM Utility, Inc. proposes to own and provide daily management, monitoring and operation of the systems currently owned and operated by the owners in accordance with the State Operating Permits issued by the Tennessee Department of Environment and Conservation, Division of Water Pollution Control ("TDEC").

4. Both systems will implement the biological recirculating system utilizing the same concepts as a recirculating sand system. The concepts of this system have previously been approved by TDEC in a number of applications. An approved engineering report is included as attached *Exhibit A*.

II. SERVICE AREA

5. The areas to be served are two properties, located in Sevier County:

Valley Mart Exxon
3201 Wears Valley Road
Sevierville, Tennessee and

Cove Mountain Realty (directly across R.O.W. from Valley Mart Exxon)
3174 Wears Valley Road
Sevierville, Tennessee.

6. The general road map indicating the geographic location, the topographic map indicating geomorphologic location and the county tax map illustrating the precise territory boundary are attached hereto as *Exhibits B, C and D* respectively.

III. MUNICIPAL FRANCHISE

7. Neither the City of Pigeon Forge nor Sevier County requires franchise agreements for locating and operating the proposed systems.

8. No franchise fees are required.

V. PUBLIC NEED

9. IRM Utility, Inc. proposes to provide the management of beneficial reuse wastewater disposal options that are designed to recharge the groundwater with high quality treated effluents, in lieu of the direct channeling of water resources to streams.

10. The owners of Cove Mountain Realty and Valley Mart Exxon have contracted, contingent upon Authority approval, with IRM to own, operate and maintain their systems.

11. No additional customers will receive service from these systems because the level of demand of the current customers is at capacity.

VI. ALTERNATE SERVICE PROVIDER

12. The City of Pigeon Forge and the utility district of Sevier County are currently not providing these services and have indicated that they do not intend to provide such services in the foreseeable future. Letters from Erlene M. Teaster, City Manager of Pigeon Forge and Ken L. Maples, Assistant County Executive of Sevier County are attached as *Exhibits E and F*.

VII. NOTICE

13. Neither the City of Pigeon Forge or Sevier County offer any public utility services in the proposed service area, therefore, no existing utility routes, plant, line, or system will be affected by the proposed services.

VIII. ENGINEERING AND CONSTRUCTION PLANS

14. The system for Cove Mountain Realty has already been installed and is permitted by the TDEC.

15. The Valley Mart Exxon has initiated an upgrade to its existing system. A copy of the Engineering Report by Norvell & Poe, Engineers, LLC of Sevierville is attached as *Exhibit G*.

IX. FINANCIAL STATEMENT

16. The financial statement of IRM is attached as *Exhibit H*.
17. The owners, their addresses and their percentage of ownership of IRM are:

Jeffrey W. Cox 87%
3444 Saint Andrew Drive
Baneberry, Tennessee 37890

W. Scott Williams 10%
6918 Yellow Oak Lane
Knoxville, Tennessee 37931

Thomas C. Petty, Jr. 3%
3293 River Walk Drive
Nashville, Tennessee 37214

X. CONSTRUCTION COSTS

18. The system at Cove Mountain Realty has been installed and is operational.
19. IRM will not be responsible for the construction costs for the improvements to the Valley Mart Exxon system.

XI. PRO FORMA OPERATING COSTS

20. A Pro Forma statement of the cost of operating the systems for the first five years is attached as *Exhibit I*.

XII. RATES

21. The Tariff – Commercial Tariff Rate Sheets are attached as *Exhibit J*. This Tariff includes a detailed explanation of the proposed rates calculation including cost data.

XIII. CORPORATION EXISTENCE

22. IRM is a start-up company organized and existing pursuant to the laws of Tennessee as a "C" Corporation. Its business address is:

3444 Saint Andrews Drive
Baneberry, Tennessee 37890.
Telephone number 865-674-0828

23. The Charter filed February 20, 1991, with the Secretary of State's Office, State of Tennessee, the Certificate of Existence issued September 23, 2002, and Corporate Annual Report filed April 1, 2002, are attached as *Exhibits K, L and M*.

XIV. CONCLUSION

24. IRM proposes to develop affordable wastewater disposal options for rural customers at affordable rates. These customers are typically businesses, developers and property owners unwilling to assume long-term liability for systems and services. IRM is willing and capable of relieving customers the difficulties of quantifying costs and responsibilities of providing these services through the use of its experienced personnel and sub-contractor relationships. *Exhibit N* includes biographical information for IRM management. *Collective Exhibit O* is letters from developers and business owners evidencing demand for the services proposed by IRM.

25. IRM will have the responsibility of managing the wastewater treatment, collection and disposal systems. *Exhibit P* is a proposed, sample agreement between IRM and its customers.

26. IRM will have the responsibility of collecting monthly fees, tap fees, and adhering to the accounting procedures and all rules and orders of the Authority.

WHEREFORE, IRM respectfully requests that the Authority grant its certificate of public convenience and necessity to authorize it to provide affordable disposal options for small rural communities unable to afford more conventional means of disposal, while at the same time, reusing or recycling water as a beneficial resource.

Respectfully Submitted,

**FARRIS MATHEWS BRANAN
BOBANGO & HELLEN PLC**

By:

A handwritten signature in cursive script, reading "Charles B. Welch, Jr.", written in black ink.

Charles B. Welch, Jr. BPR # 005593

Attorney for Petitioner

618 Church Street, Suite 300

Nashville, Tennessee 37219

(615) 726-1200



3444 Saint Andrews Drive
Baneberry, Tennessee 37890
Office (Vol) 674-8334
Facsimile 674-2352

Environmental Soil Consulting

Mr. Eric Miller
Valley Mart Exxon
3201 Wears Valley Road
Sevierville, TN 37862

November 13, 2002

RE: Preliminary Soil Information
Reserve Area

Dear Mr. Miller,

An initial Extra-High Intensity Soil Map was prepared in March 1995 for this property. The map was prepared by Mr. David McKinney of Loudon, Tennessee. This map was reviewed to make suggestions that would aid in the repair of the existing system.

The area that the initial subsurface sewage disposal system had been installed in has been capped with clay fill. This area is not suited for use in the repair without some sort of reconditioning of the area. These practices would be a combination of removing the clays, subsoiling, modification or rebuilding the surface horizons, and employing drainage practices. These procedures are not standard and would require cooperation from the Tennessee Department of Environment and Conservation (TDEC) and the Sevier County Health Department.

The designated reserve area consists of over 12,000 square feet. It is suggested that this area have positive drainage installed prior to using for a wastewater disposal system. This is suggested with repair by conventional means or with the use of treatment and a subsurface drip irrigation field. Enclosed is a sketch indicating how the drainage can be accomplished.

As in any wastewater disposal site approval, the Commissioner of TDEC or his duly authorized personnel issues approval of a site. Taking on any financial obligations or beginning construction without any such permit or approval is at ones' own risk. A site plan should be given to the TDEC for final evaluation and construction permits.

Thanks again for the opportunity. Please call if you have any questions.

Respectfully submitted,

Environmental Soil Consulting

Jeffrey W. Cox, Sr.
Certified/Registered Professional Soil Scientist

JWCSr/mjc

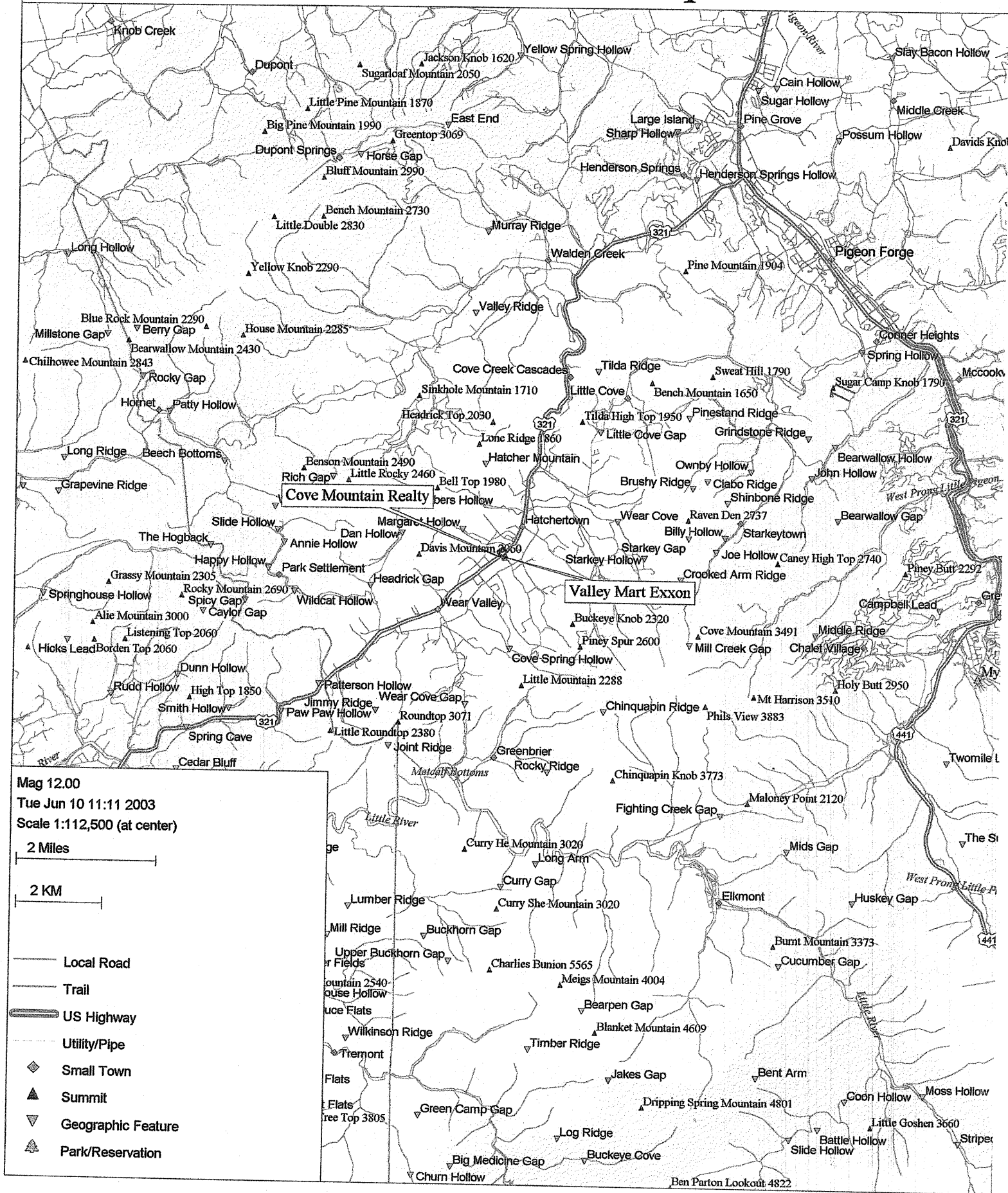
miller-a/SOIL-PRE.WPS



Recycled Paper

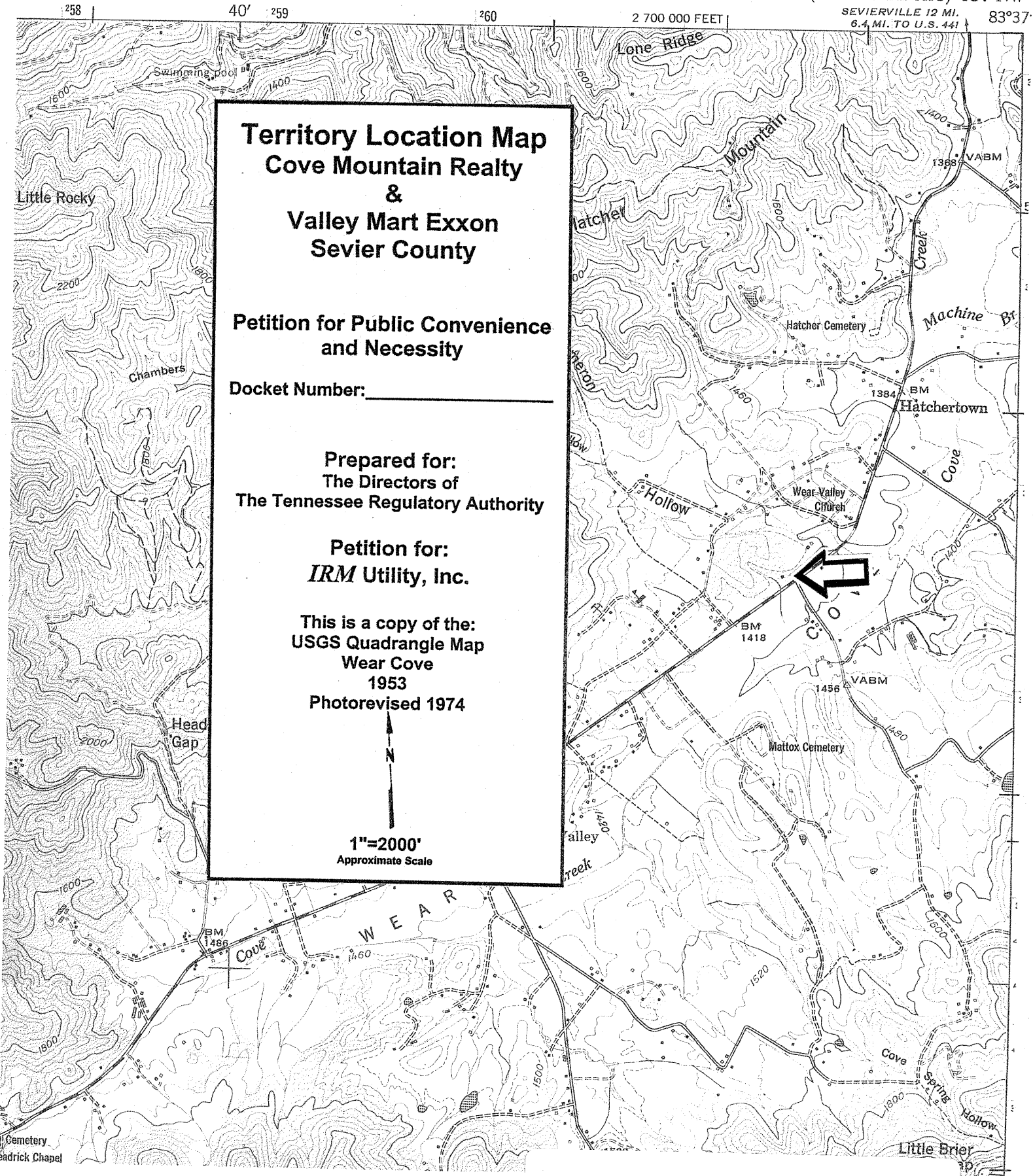
EXHIBIT A

Site Location Map



WEAR COVE QUADRANGLE
TENNESSEE

7.5 MINUTE SERIES (TOPOGRAPHIC) 157-NW

SEVIERVILLE 12 MI.
6.4 MI. TO U.S. 441 83°37'



RECEIVED
DEC 16 2002

BY:

December 13, 2002

Mr. James E. Barnes, P.E.
Norvell & Poe, Engineers LLC
635 Wall Street, Suite 2
Sevierville, Tennessee 37862

Re: Valley View Exxon

Dear Mr. Barnes:

Thank you for your inquiry as to the intentions of Pigeon Forge running City sewer to the Wears Valley Exxon station.

This letter serves to advise that the City has no immediate plans to extend City sewer service to this area located outside the corporate limits.

Thanks for your interest.

Sincerely,

CITY OF PIGEON FORGE

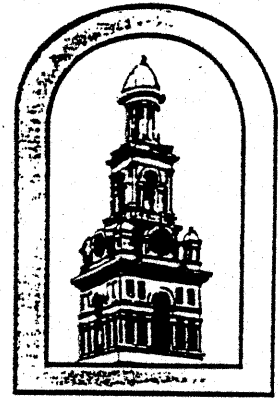
Earlene Teaster

Earlene M. Teaster
City Manager

EMT:sg

xc: Mark Miller, Director of Public Works

EXHIBIT E



SEVIER COUNTY
LARRY WATERS
County Executive

Room 201E
125 Court Avenue
Sevier County Court House
Sevierville, Tennessee 37862
Office: (865) 453-6136
Home: (865) 436-4796
FAX: (865) 453-6830

January 17, 2003

Mr. James E Barnes, PE
Norvell & Poe, Engineers, LLC
635 Wall Street, Suite 2
Sevierville, TN 37862

RE: Sanitary Sewer Service for Wears Valley Exxon

Dear Mr. Barnes:

As per your request concerning sanitary sewer service for the Wears Valley Exxon, Sevier County, TN does not intend to provide sewer service for this area at this time.

Thank you for your time and interest in Sevier County.

Sincerely,

Ken L Maples
Asst. County Executive

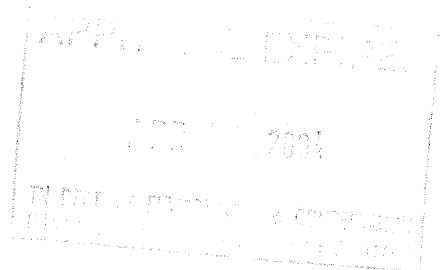
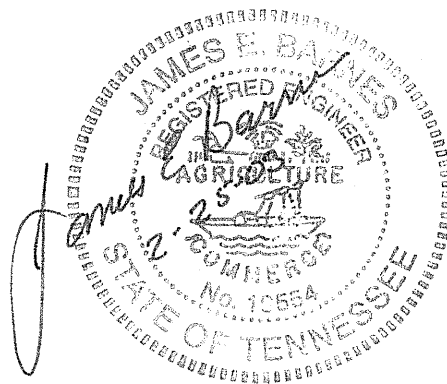
ENGINEERING REPORT

ON-SITE WASTEWATER TREATMENT AND DISPOSAL SYSTEM

for

VALLEY MART EXXON

SEVIER COUNTY, TENNESSEE



NORVELL & POE, ENGINEERS, LLC

635 WALL STREET, SUITE 2

SEVIERVILLE, TENNESSEE 37862

PHONE (865) 429 4683

FAX (865) 429 4684

EMAIL - email@norvellpoe.com

PROJECT NUMBER 02-1009

EXHIBIT G

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LETTERS FROM CITY OF PIGEON FORGE AND COUNTY OF SEVIERVILLE	Appendix 2
SOIL SCIENTIST RECOMMENDATIONS.....	Appendix 3

PURPOSE

Valley Mart Exxon is a convenience store, located on Wears Valley Road, offering gasoline, a limited amount of fast food such as hamburgers, hot dogs, fries etc., and a limited amount of grocery and snack items. A Project Location map is shown in FIGURE 1. The store is experiencing a failure in its current sewerage disposal system. The purpose of this report is to review the proposed sewer alternatives for the establishment and make recommendations on treating and disposing of sewerage.

EXISTING SEWER SERVICE

The existing treatment system consists of four septic tanks connected in series. The first two serve as septic tanks while the second two serve as dosing or pump tanks. The first two tanks appear to be 1500-gallon tanks while the second two appear to be 1000-gallon tanks. There are no screens or filtering devices on any of the tanks. Evidence of heavy grease deposits was noted, particularly the first of the large tanks. There are two dosing siphons located in the last of the four tanks but these have been abandoned and a single dosing pump installed. There is no grease trap to treat the waste coming from the food preparation area. Waste is then disposed of in large diameter gravel-less pipe in an area immediately behind the store.

The field line area began leaking sewerage some time ago. To try and alleviate the problem, the owner added a clay cap to the drain field area, which stopped the leaking for a short time. Leaks have re-appeared especially along the back of the drain field and the edge along Roberson Road. Since the last failures, the owner has tried to minimize the problem by keeping the tanks pumped. The area designated as reserve on the original permit has not yet been utilized. The original system was designed by Richard J. Epling, P.E. A copy of the permit may be found in Appendix 1.

ALTERNATIVES

Alternatives considered for providing service to the development include conventional septic tanks and field lines utilizing the reserve area, public sewers, and an alternative on site wastewater treatment system with on site disposal.

There is no publicly owned sewer service available in this area. The closest public sewer system is the City of Pigeon Forge, which has service at the intersection of Highway 321 and Waldens Creek Road. The City has historically declined to furnish sewer service beyond its corporate limits. Sevier County has also indicated that it has no plans to provide sewer service to the area (see Appendix 2).

The reserve site could be utilized using the large diameter gravel-less pipe system that was originally used. Since the reserve site is adjacent to the current site and the soils in the area are similar, it would only be a matter of time before the reserve area would experience the same problems as the original site. The only remaining alternate is to construct an alternative method of treating and disposing of sewerage on site.

RECOMMENDED IMPROVEMENTS

Flow from the kitchen and food preparation area will be segregated from the rest of the waste flow. This will be routed to a grease trap located up stream of the existing septic tanks. An effluent filter will be added to the effluent of the first septic tank and a screened pump vault with pump added to the effluent of the second tank. The effluent from the second septic tank will be pumped to a synthetic media filter. Effluent flow from the filter will be split with 80% returning to the influent side of the first septic tank and 20% of the flow going to the pump tanks. Treated effluent will be disposed of in the reserve area utilizing a drip irrigation system.

The size of the drip irrigation field is based on an application rate of two inches of treated sewerage per week. This is the equivalent of a percolation rate of 504 minutes per inch. The recommendations of a soils scientist may be found in Appendix 3. The drip field will

be constructed using pressure compensating emitters in the dripper line to insure an even distribution of waste over the drip field. The drip system will be equipped with the necessary appurtenances for flushing, drainage and recirculation. Emitters are spaced at 2.5-foot intervals along the drip line. The drip lines are spaced five feet apart. The flow rate is 0.61 gallons per hour per emitter. A pump timer at the dosing pump station will control the volume of liquid pumped to each field. A back up float switch is also provided to prevent over feeding the fields and pump cavitations

PRELIMINARY DESIGN CALCULATIONS

Valley View Exxon purchases its potable water from the City of Pigeon Forge. Unfortunately this is a new connection and only three months of data are available. The following is a summation of that data:

USAGE	PERIOD	MONTH	GPD
29,100	36	AUG.-SEPT.	808
24,800	30	SEPT.-OCT.	827
24,000	30	OCT. NOV.	800

Water usage is expected to follow the trends that are normally associated with a tourist related area in that they will peak in the months of June, July, and August and fall to a minimum during the months of January, February, and March. For purposes of design, the maximum average daily flow expected is assumed to be 2000 gallons per day.

The volume of the existing tankage exceeds the estimated daily flow; therefore, these tanks will be utilized to the greatest extent possible. These tanks were pumped down and checked for leaks by the owner. No significant leakage was noted. A grease trap is proposed to remove grease from the waste flow prior to its entrance to the main septic tanks. Based on data published by the filter manufacturer, the addition of an effluent screen and synthetic filters to the septic tank effluent is expected to reduce the BOD to less than 12 mg/L and TSS to less than 9mg/L. The filter/flushing system is expected to

reduce the TSS to less than 5 mg/L prior to its application to the drip field. The total nitrogen is expected to be less than 17 mg/L.

The hydraulic loading rate of two inches per week of treated sewerage for the drip field is the equivalent of 5.6148 square feet of surface area per gallon per day of treated sewerage. Based on and design flow of 2000 gallons per day, an area of 11,230 square feet is required. The reserve area as defined in the original permit exceeds this requirement.

The nitrogen uptake for the vegetative cover in the reserve area ranges from 150 to 325 pounds of nitrogen per year. This is taken from the Process Design Manual for Land Treatment of Municipal Wastewater as published by the EPA. For this analysis, an uptake rate of 178 pounds per year was used.

Based on the methodology shown in Chapter 16 of the Tennessee Department of Environment and Conservation's Standards for sewer treatment and disposal, a maximum concentration of 10mg/L of total nitrogen at the property line, and an assumed effluent concentration of 25 mg/L, the lowest maximum amount of wastewater that can be applied to the site is 2.12 inches. This is greater than the dosing rate proposed for the drip irrigation system. This occurs in the month of February. No allowances for the reduction in strength due to storm water runoff are shown in the calculations. A summary of the nitrogen loading is shown in Table 1.

ALLOWABLE NITROGEN LOADING

VALLEY MART EXXON

MONTH	Pr	PET	u %/Mo	u lbs/ac/mo	f %/Mo	Lwn in/mo	Lwn in/week
JAN	7.62	0.10	1	1.78	25	9.49	2.19
FEB	6.72	0.27	2	3.56	25	9.17	2.12
MAR	8.85	0.97	4	7.12	25	12.61	2.91
APR	6.59	2.30	8	14.24	25	12.10	2.80
MAY	6.13	3.59	12	21.36	25	13.70	3.16
JUNE	5.52	4.90	15	26.7	25	14.21	3.28
JULY	6.85	5.44	17	30.26	25	16.91	3.91
AUG	4.73	5.00	15	26.7	25	13.19	3.05
SEPT	5.54	3.79	12	21.36	25	12.80	2.96
OCT	4.47	1.98	8	14.24	25	10.05	2.32
NOV	6.11	0.82	4	7.12	25	9.65	2.23
DEC	7.55	0.27	2	3.56	25	10.12	2.34

TABLE 1

IRM Utility, Inc.
PO Box 642
White Pine, TN 37890

July 22, 2003

TRA Directors
Tennessee Regulatory Authority
460 James White Parkway
Nashville, TN 37243-0505

**RE: Cove Mountain Sewer System Engineering Plans
Sevier County, Tennessee**

Dear Sirs/Madams:

Please see the attached, reduced size, approved set of engineering plans by Norvell & Poe, Engineers. Full size copies of these approved plans should be on file at your office should you need.

If you have any comments or questions, please advise.

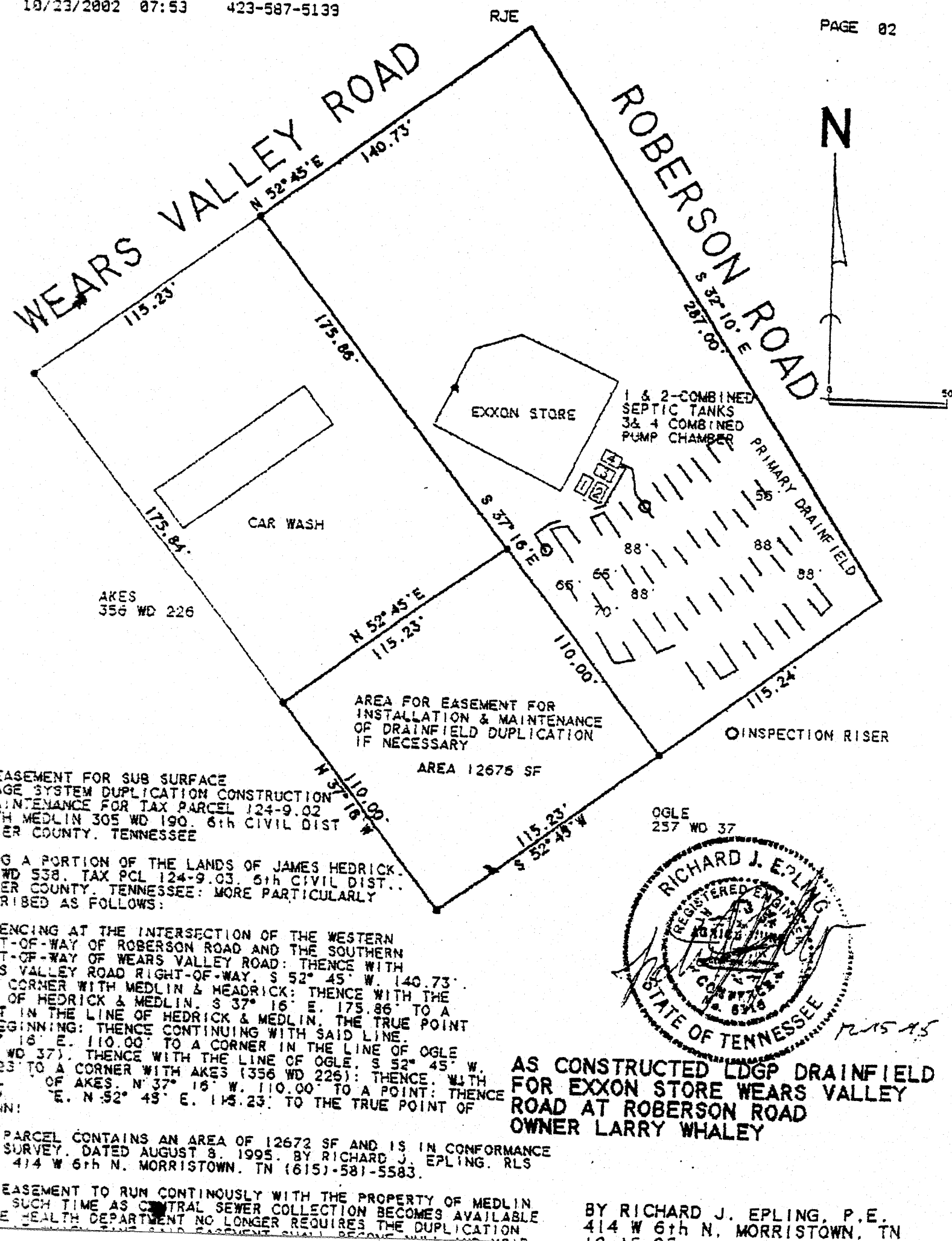
Sincerely,

A handwritten signature in cursive script, appearing to read "Scott Williams".

Scott Williams, P.E.

APPENDIX

I



EASEMENT FOR SUB SURFACE
GE SYSTEM DUPLICATION CONSTRUCTION
INTENANCE FOR TAX PARCEL 124-9.02
H MEDLIN 305 WD 190. 6th CIVIL DIST
ER COUNTY, TENNESSEE

G A PORTION OF THE LANDS OF JAMES HEDRICK.
WD 538. TAX PCL 124-9.03. 6th CIVIL DIST..
ER COUNTY, TENNESSEE: MORE PARTICULARLY
RIBED AS FOLLOWS:

ENCING AT THE INTERSECTION OF THE WESTERN
T-OF-WAY OF ROBERSON ROAD AND THE SOUTHERN
T-OF-WAY OF WEARS VALLEY ROAD: THENCE WITH
S VALLEY ROAD RIGHT-OF-WAY, S 52° 45' W. 140.73'
CORNER WITH MEDLIN & HEADRICK: THENCE WITH THE
OF HEDRICK & MEDLIN, S 37° 16' E. 175.86' TO A
T IN THE LINE OF HEDRICK & MEDLIN, THE TRUE POINT
EGINNING: THENCE CONTINUING WITH SAID LINE,
16' E. 110.00' TO A CORNER IN THE LINE OF OGLE
WD 37), THENCE WITH THE LINE OF OGLE, S 52° 45' W.
23 TO A CORNER WITH AKES (356 WD 226): THENCE, WITH
OF AKES, N 37° 16' W. 110.00' TO A POINT: THENCE
E. N 52° 45' E. 115.23' TO THE TRUE POINT OF
N:

PARCEL CONTAINS AN AREA OF 12672 SF AND IS IN CONFORMANCE
SURVEY, DATED AUGUST 8, 1995, BY RICHARD J. EPLING, RLS
414 W 6th N, MORRISTOWN, TN (615)-581-5583.

EASEMENT TO RUN CONTINUOUSLY WITH THE PROPERTY OF MEDLIN
SUCH TIME AS CENTRAL SEWER COLLECTION BECOMES AVAILABLE
E HEALTH DEPARTMENT NO LONGER REQUIRES THE DUPLICATION
EASEMENT SHALL BECOME A PART OF THE PROPERTY OF MEDLIN

BY RICHARD J. EPLING, P.E.
414 W 6th N, MORRISTOWN, TN
12-15-05

Petition of a Wastewater Company, IRM Utility, Inc.,
for a
Certificate of Public Convenience and Necessity
for an Investor Owned Utility

IRM Utility, Inc.
Pro Forma Balance Sheets

<u>Line No.</u>	<u>Description</u>	<u>As of</u> <u>July 28, 2003</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<u>Assets:</u>							
Current Assets:							
1	Cash and cash equivalents	45,887	53,812	52,577	51,146	49,695	47,851
2	Accounts receivable	-	665	665	665	665	665
3	Prepaid expenses	-	2,000	2,000	2,000	2,000	2,000
4	Total current assets	45,887	56,477	55,242	53,811	52,360	50,516
5	Property, plant and equipment	-	-	-	-	-	-
Other long term assets:							
6	Prepayments for professional services	11,500	9,200	6,900	4,600	2,300	-
7	Total Assets	\$ 57,387	\$ 65,677	\$ 62,142	\$ 58,411	\$ 54,660	\$ 50,516
<u>Liabilities and Stockholders' Equity:</u>							
Liabilities:							
Current Liabilities:							
8	Accounts payable	-	355	390	381	393	429
9	Total current liabilities	-	355	390	381	393	429
10	Long-term debt	-	-	-	-	-	-
11	Total liabilities	-	355	390	381	393	429
Stockholders' Equity:							
12	Capital stock, par value \$100	26,000	26,000	26,000	26,000	26,000	26,000
13	Additional paid-in capital	21,216	21,216	21,216	21,216	21,216	21,216
14	Retained earnings (beginning of period)	10,171	10,171	8,906	7,636	6,214	4,751
15	Current period net income of commercial properties	-	1,035	1,030	878	837	420
16	Amortization of other long term assets	-	(2,300)	(2,300)	(2,300)	(2,300)	(2,300)
17	Retained earnings (end of period)	10,171	8,906	7,636	6,214	4,751	2,871
18	Total stockholders equity	57,387	56,122	54,852	53,430	51,967	50,087
19	Total Liabilities and Stockholders' Equity	\$ 57,387	\$ 56,477	\$ 55,242	\$ 53,811	\$ 52,360	\$ 50,516

<u>Line No.</u>	<u>Notes and Assumptions</u>
3	Prepaid expenses reflect annual payments for insurance premiums, office equipment leases, etc.
5	IRM Utility, Inc. will receive ownership of the wastewater treatment systems upon TRA approval of the instant petition. The original cost and market of the two systems is \$17,097 and \$51,861 for the Valley Mart Exxon and Cove Mountain Realty, respectively. The transfer of ownership is to be treated as Contributions In Aid of Construction as stated in page 7 of the proposed tariff. Thus, the Contributions In Aid of Construction will be an offset to the value of property, plant, and equipment presented in the Company's balance sheet.
8	The accounts payable reflect one month's accrual of projected System Operating expenses for both commercial sites.
10	IRM Utility, Inc. will not find it necessary to seek any long-term financing since the Company will receive complete ownership interest in both commercial systems at no charge based upon executed contracts that are contingent upon TRA approval of the instant petition. The combined cost of the systems is approximately \$68,958.
	IRM Utility, Inc. is the guarantor of long-term debt in the amount of \$44,968.66 on behalf of an affiliate, Aquatic Resources, Inc.

**Petition of a Wastewater Company, IRM Utility, Inc.,
for a
Certificate of Public Convenience and Necessity
for an Investor Owned Utility**

**Pro Forma Income Statements
Commercial Service for Cove Mountain Realty
Sevier County**

<u>Line No.</u>	<u>Description</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
1	Tap fee	\$ 500	\$ -	\$ -	\$ -	\$ -
2	Annual service agreement fee	-	300	300	300	300
3	Usage revenues	<u>3,636</u>	<u>3,636</u>	<u>3,636</u>	<u>3,636</u>	<u>3,636</u>
4	Operating revenues	4,136	3,936	3,936	3,936	3,936
<u>System Expenses:</u>						
Maintenance and operation :						
5	Septic tank pumping	-	-	135	-	135
6	Repairs and maintenance expense	<u>230</u>	<u>260</u>	<u>290</u>	<u>310</u>	<u>330</u>
7	Total maintenance and operation expense	230	260	425	310	465
Drip field and related disposal system:						
8	Service calls	80	83	87	90	94
9	Repairs and maintenance expense	<u>194</u>	<u>194</u>	<u>194</u>	<u>194</u>	<u>194</u>
10	Total drip field and related disposal system expense	274	277	281	284	288
11	Treatment system costs (Small Screens & Filters)	26	27	28	29	30
12	Preventive maintenance	1,060	1,102	1,146	1,192	1,240
13	Operator management fee	<u>480</u>	<u>500</u>	<u>520</u>	<u>540</u>	<u>560</u>
14	Total System Expenses	2,070	2,167	2,400	2,356	2,583
<u>General and Administrative Expenses</u>						
15	TDEC monitoring and analytical expense	400	400	400	400	400
16	Accounting and billing and collection expense	340	340	340	340	340
17	Consulting and legal fees	500	-	-	-	-
18	Other administrative services	20	25	25	28	28
19	Corporate management fee	<u>126</u>	<u>126</u>	<u>126</u>	<u>126</u>	<u>126</u>
20	Total General and Administrative Expenses	1,386	891	891	894	894
<u>Taxes and Fees:</u>						
21	Ad valorem, franchise and excise taxes	375	366	357	347	338
22	State of Tennessee environmental fee	<u>250</u>	<u>250</u>	<u>250</u>	<u>250</u>	<u>250</u>
23	Total Taxes and Fees	625	616	607	597	588
24	Total Operating Expense	4,081	3,673	3,898	3,847	4,065
25	Net Operating Income	\$ 55	\$ 263	\$ 38	\$ 89	\$ (129)
26	Cumulative Net Operating Income	\$ 55	\$ 318	\$ 356	\$ 445	\$ 316

<u>Line No.</u>	<u>Notes and Assumptions</u>
3	Usage revenues based upon maximum permitted usage of 2,000 gallons.
5	Septic tank pumping based upon a 30 month cycle.
6 and 9	Repairs and maintenance expense reflects a replacement program for equipment. The projected amounts for these items are not deemed to be sufficiently material for treatment as capitalized expenditures.
12	Preventive maintenance expense includes annual system reviews, the cleaning of piping system and filters, the recirculating tank, and the electrical control system.
21	The taxes are based upon the State of Tennessee corporate excise and franchise tax rates. The ad valorem tax reflects the assessment and rate levied by Sevier County.
24	Line 14 + Line 20 + Line 23
25	Line 4 - Line 24

Petition of a Wastewater Company, IRM Utility, Inc.,
for a
Certificate of Public Convenience and Necessity
for an Investor Owned Utility

Pro Forma Financial Statements
Commercial Service for Valley Mart Exxon
Sevier County

Line No.	Description	Year 1	Year 2	Year 3	Year 4	Year 5
1	Tap fee	\$ 500	\$ -	\$ -	\$ -	\$ -
2	Annual service agreement fee	-	300	300	300	300
3	Usage revenues	<u>4,344</u>	<u>4,344</u>	<u>4,344</u>	<u>4,344</u>	<u>4,344</u>
4	Operating revenues	4,844	4,644	4,644	4,644	4,644
<u>System Expenses:</u>						
Maintenance and operation :						
5	Septic tank pumping	-	135	-	-	135
6	Grease trap pumping	320	340	340	360	360
7	Repairs and maintenance expense	<u>230</u>	<u>230</u>	<u>230</u>	<u>230</u>	<u>230</u>
8	Total maintenance and operation expense	550	705	570	590	725
Drip field and related disposal system:						
9	Service calls	-	83	87	90	94
10	Repairs and maintenance expense	<u>-</u>	<u>194</u>	<u>194</u>	<u>194</u>	<u>194</u>
11	Total drip field and related disposal system expense	-	277	281	284	288
12	Treatment system costs (Small Filters & Screens)	26	27	28	29	30
13	Preventive maintenance	1,060	1,102	1,146	1,192	1,240
14	Operator management fee	<u>320</u>	<u>360</u>	<u>380</u>	<u>400</u>	<u>420</u>
15	Total System Expenses	1,956	2,471	2,406	2,496	2,703
<u>General and Administrative Expenses</u>						
16	TDEC monitoring and analytical expense	400	400	400	400	400
17	Accounting and billing and collection expense	360	360	360	360	360
18	Consulting and legal fees	500	-	-	-	-
19	Miscellaneous administrative expenses	35	40	40	50	50
20	Corporate management fee	<u>126</u>	<u>126</u>	<u>126</u>	<u>126</u>	<u>126</u>
21	Total General and Administrative Expenses	1,421	926	926	936	936
<u>Taxes and Fees:</u>						
22	Ad valorem, franchise and excise taxes	237	230	222	214	206
23	State of Tennessee environmental fee	<u>250</u>	<u>250</u>	<u>250</u>	<u>250</u>	<u>250</u>
24	Total Taxes and Fees	487	480	472	464	456
25	Total Operating Expense	3,864	3,877	3,804	3,896	4,095
26	Net Operating Income	\$ 980	\$ 767	\$ 840	\$ 748	\$ 549
27	Cumulative Net Operating Income	\$ 980	\$ 1,746	\$ 2,587	\$ 3,335	\$ 3,884

Line No.	Notes and Assumptions
3	Usage revenues based upon maximum permitted usage of 2,000 gallons.
5	Septic tank pumping based upon a 30 month cycle.
6	Grease trap pumping based upon a semi-annual schedule.
7 and 10	Repairs and maintenance expense reflects a replacement program for equipment. The projected amounts for these items are not deemed to be sufficiently material for treatment as capitalized expenditures.
13	Preventive maintenance expense includes annual system reviews, the cleaning of piping system and filters, the recirculating tank and the electrical control system.
22	The taxes are based upon the State of Tennessee corporate excise and franchise tax rates. The ad valorem tax reflects the assessment and 2002 rate levied by Sevier County.
25	Line 15 + Line 21 + Line 24
26	Line 4 - Line 25

Tariff

IRM Utility, Inc.

The statement of "Rules and Regulations" to be followed in providing consistent wastewater treatment service as a public utility for the customers of **IRM Utility, Inc.**

Statement of Purpose:

1. To institute measures and procedures for serving the customers of **IRM Utility, Inc.** on a uniform basis by:
 - a. The Definition of Terms
 - b. The Authorization of Rules
 - c. Identifying the Service
 - d. Establishing Property Easements
 - e. Establishing Discontinuance of Service Policies
 - f. Stating Non-payment Penalties
 - g. Establishing Returned Check Policy
 - h. Establishing Policy for Changes of Property Owners or Tenants
 - i. Establishing Policy for Security Deposits
 - j. Establishing Sewer Access Fees
2. To provide standards and procedures for:
 - a. Establishing sewage characteristics acceptable for the treatment systems.
 - b. Establishing the criteria for a system free of "inflow and infiltration" (I & I).
 - c. Required design standards.
 - d. Construction and materials standards.
 - e. Inspection requirements.
 - f. Operations standards.
 - g. Quality of materials

Definition of Terms:

1. Collector Line – Shall mean the line from the service line to the main line.
2. Customer – Shall mean any person, firm, corporation, association, company, or government unit furnished sewage services by **IRM Utility, Inc.**
3. Main Line – Shall mean the line from the collector line to the treatment facility.

4. Operator – Shall mean the Licensed Wastewater Operator and/or consulting engineer of *IRM* Utility, Inc. or design engineer.
5. Property – Shall mean all facilities owned and/or operated by the company.
6. Pumping Station – Shall mean a tank containing pump(s) and receives effluent from a STEG/STEP tank and/or collector lines.
7. Service – Shall mean the acceptance of wastewater from the customer.
8. Service Line – Shall mean the line from the STEP/STEG tank to the collector line.
9. STEG tank – Shall mean any tank located near a building containing an effluent filter for the purposes of accepting sewage waste.
10. STEP tank – Shall mean any tank located near a building containing a pump vault for the purposes of accepting sewage waste.
11. Stub-out line – Shall mean the line that carries the sewage waste from the building to the STEP/STEG tank.
12. TRA – Shall mean Tennessee Regulatory Authority.

Authorization of Rules and Regulations

IRM Utility, Inc. is a corporation in good standing with the State of Tennessee and is organized as a privately owned public utility. *IRM* Utility will operate under the auspices of a Certification of Convenience and Necessity issued by the Tennessee Regulatory Authority on _____, 2003, under Docket No. _____. *IRM* Utility, Inc. submits the following statement of its rules and regulations in compliance with Rule 602.2.

Effect of Rules and Regulations

All provisions of these rules and regulations shall be incorporated in each contract with each sewage system customer of *IRM* Utility, Inc..

Identifying of the Existence of the Service in Home Owners Associations, Property Owners Associations, and Restrictive Covenants:

1. The identification of the existence of the wastewater treatment Services will be by including the following in such documents:
 - a. The Name and Address of the Utility
 - b. Indication that an Agreement for Services Will Be Required
 - c. Identifying that Fees for the Service Will Be Charged
 - d. Indication that there are Easements In and Along Private and Common Properties
 - e. Indicating that Lien Mechanisms Can Be Enforced For Nonpayment of Fees, Bills, or Assessments

Effective Date _____

Utility Items on Private Property

The company shall own and maintain all STEP and STEG tanks, control systems, and service lines required to provide sewer service on the customer's premises. The customer must execute an agreement granting an easement to the company for maintenance of the sewer system. The building plumbing and Stub-out line shall be maintained by the customer.

Discontinuance of Service

Service under any application may be discontinued for the following reasons:

1. Non-payment of bill as hereinafter set forth below.
2. For misrepresentation in the application.
3. For adding to the property or fixtures without notice to the company.
4. For molesting any service pipe, tank, control system, filter, or any property of the company in any way whatsoever.
5. For violation of any rules of the company.
6. For disconnecting or reconnecting service by any party, other than a duly authorized agent of the company, without the consent of the company.

Non-payment Penalties

A non-payment penalty of five percent (5%) of the monthly charge will be due after the due date shown on the bill. If payment is received within fifteen days after the due date, a written notice will be sent to the customer. If payment is not received within 15 days of the written notice, sewer service will be turned off from the customer's property, with no additional notice being sent. No service shall be reconnected if discontinued for non-payment (or any valid reason) until all charges have been paid, including disconnection and reconnection fees. The disconnection fee is \$10.00 and the reconnection fee is \$15.00.

Where practical and at the discretion of IRM Utility, Inc., a lien to the property will be placed on the property for non-payment. An administrative fee will be charged equal to the costs of such lien including attorney fees, court costs, cost of mailing, advertising, and any other costs plus an additional 10% management fee.

Returned Checks

A check returned by the bank will incur a fee of \$29.00.

Changes in ownership, Tenancy of Services

A new application and agreement must be made and approved by the Company on any change in ownership of property, or in tenancy, or in the services as described in the application. In the event of failure of a new owner or tenant to make such application, the company shall have the right to discontinue service until such new application is made and approved.

Security Deposits

Each new customer, before connection or reconnection of the service, will be required to make a refundable deposit to secure payment of sewage service bills in an amount double the monthly bill for that particular type of customer. Interest of two (2%) percent will be paid on any such refundable deposit for the period it is held by the company.

Initial Sewer System Access Fee

The owner of each property parcel which is provided Service will be required to pay a sewer access fee typical of the nearest metropolitan area providing such service. The fee will be used to inspect hook-up, administration, and provide a rebate to the developer. The rebate will be based on the basis of a percentage of the tap fees and the number of taps at the anniversary of the initial service or start-up. A schedule for the rebate is below:

First Anniversary	48%
Second	38%
Third	28%

Sewer System Access Fee

For existing Service or transfer of Service, a fee will be charged for education about their STEP/STEG components, an initial inspection and preventive maintenance call, and administrative costs. The fee will be \$250.00 for residential and \$500.00 for commercial applications.

Engineering, Materials and Construction Standards

1. General – This specification covers the type of sewer system required for various design conditions of sewers constructed by developers. The requirements called for are minimum standards in all cases. Bedding conditions, material specifications, sealing requirements and installation methods are the responsibility of the Operator or design engineer and must be approved by the company. Design and construction of sewer lines shall meet the requirements of the State of Tennessee Department of Environment and Conservation (TDEC), in addition to this specification. Where conflicts exist, the more restrictive shall govern.
2. All sewage collection system components are to be free of I&I. This includes Stub-out lines, tanks, collector lines, service lines, and main lines. Collector lines and main lines are to be tested to 100 pounds per square inch of water pressure. Risers and lids are to be watertight.
3. STEP and STEG Tanks are to be installed near the building to be served. The tanks are to be set in a level condition and tested for water tightness before backfilling.
4. All pipe is to be PVC, classes and sizes will be per operator/engineer's design and in all cases SDR-21 class 2000 will be the minimum allowable.
5. Only wastewater drains are to be connected to the sewer system. No water sources such as roof drains, sump pumps, condensate lines and swimming pools shall be connected to the sewer system.

Special Pretreatment Sewage Requirements

For all sewage connections the company reserves the right to require any nonresidential user to provide special pre-treatment for any high strength effluent before discharge into its sewage system. The company may, upon the basis of recognized operator/engineering standards and treatment costs, increase the rate charged to cover the cost of treatment of high strength effluent, commercial or industrial waste, and may impose standards as to the maximum size of solids and constituents in such waste discharged into its sewage system.

Additionally, if excessive volumes of sewage are received, the company may require the customer to monitor the flow volume and increase surge holding, treatment, and disposal capacity at the customer's expense. All customers will be required to follow the List of Required Practices for an effluent collection system, supplied to them by the IRM Utility, Inc. (attachment No. 3). These requirements prohibit the dumping of any toxic chemicals, non-biodegradable detergents, whitening agents, or other non-environmentally friendly compounds that kill tank bacteria. Also prohibited is the disposal of an excessive amount of grease, paints, pesticides or other typical household items that consumers introduce into sanitary sewer and storm drains.

Damages

IRM Utility, Inc. shall in no event be responsible for maintaining any Stub-out line owned by the customer, nor for the damages created by sewage escaping there from, nor for defects in the customer's building lines or fixtures. The customer shall at all times comply with all regulations of the Tennessee Regulatory Authority and of IRM Utility, Inc.

All leaks in any building pipe or fixture on the premises of the customer shall be repaired by the customer. On failure to repair any such leak, the service may be discontinued until such repairs are made.

Inspection

All pipes, valves, and fixtures, shall at all reasonable hours, be subject to inspection by the IRM Utility, Inc. or its duly authorized agent(s).

In Event of Emergency

The company shall not be liable to the customer for interruption in service, or for damages or inconvenience as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the IRM Utility, Inc. In the case of an emergency, call 865-674-0828 or other provided service number.

Service Area

IRM Utility, Inc. will provide Service within its current service area. The Tennessee Regulatory Authority must approve additions to the service area.

Extension Plan

IRM Utility, Inc. may furnish sewer service to property owners whose lands are about the main line of existing sewer systems. The sewer service charges listed in the sewer billing structure do not include costs for constructing the sewer system. Any sewer system components required to service such abutting properties shall be constructed at the cost of those parties desiring same, and these components shall become the property of IRM Utility, Inc., to be credited to the account for contributions in aid of construction. In addition, treatment system component costs will be paid by the customer desiring to hook on to the system. Sewer service to new areas within a service territory will be made available where it is technically feasible and the developer or property owner is willing to bear the expense of designing and building the sewer system.

Contributions in Aid of Construction

Sewer system components furnished by the developers and landowners to IRM Utility, Inc. will be recognized as contributions in aid of construction in the amount of actual construction. Capital contributions from the developers will be treated in a like manner.

Contracts for Services

Each customer, before installation of service, shall be required to execute a sewer service agreement with IRM Utility, Inc.

Customer Billing

Customer billing may be different from area to area. If the area is serviced by a utility water service, the water provider will be requested to provide billing services. For flat fee areas a coupon book will be provided on an annual basis with monthly statements. Water bill comparisons or metering may be employed if higher water use than typical is suspected.

In cases where pass through treatment costs and commercial customers are involved, a monthly bill will be sent to the customer and be based on the gallons of water used.

Public Contact

Jeffrey W. Cox, Sr.
P.O. Box 642
White Pine, Tennessee 37890
Phone- 865-674-0828

Tennessee Regulatory Authority Regulations

IRM Utility, Inc. in its operation, shall conform to all applicable rules and regulations promulgated by the Tennessee Regulatory Authority. Phone 1-800-342-8359

Tariff Rate Sheet

Commercial Sewer Rates – Without Food Service

The sewer bill will be charged on a monthly basis. The customer will provide a system that has an expected design flow and quality characteristics. Special conditions such as high treatment requirement or high flows may make other systems than addressed in this initial petition necessary. IRM Utility, Inc. will need to petition for rates on a case by case basis for such systems.

A minimum service charge will be \$70.00 per month for the first 300 gallons per day of design flow expected. For up to 1,000 gallons per day an additional charge of \$14.00 per month per 100 gallons will be charged. For design flows expected over 1,000 gallons per day, the following additional monthly charges per 1,000 gallons of daily flow will apply:

Treatment	Disposal			
	Drip Irrigation	LDGP	LPP	Point Discharge
Sand Gravel Filter	\$135.00	-	-	\$160.00
Constructed Wetlands	\$140.00	-	-	-
Biofilter Process	\$135.00	-	-	-
Conventional *SSD	-	\$110.00	\$135.00	-

SSD = Subsurface Sewage Disposal Systems

LDGP = Large Diameter Gravelless Pipe

LPP = Low Pressure Pipe System

For design daily flows over 3,300 gallons, the monthly charge on all system configurations will be \$110.00 per 1000 gallons of daily flow.

Effective Date _____

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess Water Usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$170.00
1,001 gallons to 2,000 gallons above expected design flow	\$190.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gals

If the water meter readings exceed the design flow or analysis indicates that effluent characteristics are not as indicated by the customer's design engineer, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system or upgrading the treatment for the greater loading will be paid by the customer.

Fees: Nonpayment – 5%

Disconnection - \$10.00

Reconnection - \$15.00

Returned Check - \$29.00

Franchise Fee will be passed through to customers

Bonding costs will be passed through to customers

Tariff Rate Sheet

Commercial Sewer Rates – With Food Service

The sewer bill will be charged on a monthly basis. The customer will provide a system that has an expected design flow and quality characteristics. Special conditions such as high treatment requirement or high flows may make other systems than addressed in this initial petition necessary. IRM Utility, Inc. will need to petition for rates on a case by case basis for such systems.

A minimum service charge will be \$90.00 per month for the first 300 gallons per day of design flow expected. For up to 1,000 gallons per day an additional charge of \$16.00 per month per 100 gallons will be charged. For design flows expected over 1,000 gallons per day, the following additional monthly charges per 1,000 gallons of daily flow will apply:

Treatment	Disposal			
	Drip Irrigation	LDGP	LPP	Point Discharge
Sand Gravel Filter	\$165.00	-	-	\$160.00
Constructed Wetlands	\$140.00	-	-	-
Biofilter Process	\$160.00	-	-	-
Conventional *SSD	-	\$110.00	\$135.00	-

SSD = Subsurface Sewage Disposal Systems

LDGP = Large Diameter Gravelless Pipe

LPP = Low Pressure Pipe System

For design daily flows over 3,300 gallons, the monthly charge on all system configurations will be \$134.00 per 1000 gallons of daily flow.

Effective Date _____

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess Water Usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$200.00
1,001 gallons to 2,000 gallons above expected design flow	\$210.00
Over 2,000 gallons above expected design flow	\$210.00/1000 gals

If the water meter readings exceed the design flow or analysis indicates that effluent characteristics are not as indicated by the customer's design engineer, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system or upgrading the treatment for the greater loading will be paid by the customer.

Fees: Nonpayment – 5%

Disconnection - \$10.00

Reconnection - \$15.00

Returned Check - \$29.00

Franchise Fee will be passed through to customers

Bonding costs will be passed through to customers

Effective Date _____

2038 0027

RECEIVED
STATE OF TENNESSEE

1991 FEB 20 PM 2:20
STATE OF TENNESSEE
CHARTER
OF
BRYAN INTEGRATED RESOURCE MANAGEMENT, INC.
SECRETARY OF STATE

The undersigned person, in order to form a corporation pursuant to the Tennessee Business Corporation Act hereby adopts the following charter for the above listed corporation:

1. The name of the corporation is Integrated Resource Management, Inc.

2. The number of shares of stock that the corporation is authorized to issue is Two Thousand (2,000) Shares.

3. a) The complete street address of the corporation's initial registered office in Tennessee, including County, is

3444 St. Andrews Drive
Baneberry, Jefferson County, Tennessee 37890

(b) The name of the initial registered agent, to be located at the address listed in 3(a), is

Jeffrey W. Cox, Sr.

4. The name and complete address, including County, of each incorporator is

Martin Funderlic
5000 Western Avenue #2912
Knoxville, Knox County, Tennessee 37921

5. The complete address of the corporation's principal office, including County, is

3444 St. Andrews Drive
Baneberry, Jefferson County, Tennessee 37890

6. All stock issued is common no par stock.

7. The corporation is for profit.

8. The names of the initial Directors are

Jeffrey W. Cox, Sr.
Martin Funderlic

9. No director may be sued by the Corporation or its Shareholders for breach of his or her fiduciary duty to the Corporation, provided, however, that this provision shall not absolve a director from a breach of his or her duty of loyalty, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or for distributions in violation of T.C.A. §48-18-304.

Martin Funderlic
Incorporator's Signature

MARTIN FUNDERLIC

Incorporator's Name, Typed or Printed

1-21-91
Date of Signature

C. A. BORNE, DAVIS,
BUUCK & HURLEY
SUITE 300
113 MARKET STREET
KNOXVILLE, TN
37902-2398
(615) 971-4040

EXHIBIT K

Secretary of State
Division of Business Services

312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

ISSUANCE DATE: 10/23/2002
REQUEST NUMBER: 02296512

CHARTER/QUALIFICATION DATE: 02/20/1991
STATUS: ACTIVE
CORPORATE EXPIRATION DATE: PERPETUAL
CONTROL NUMBER: 0237604
JURISDICTION: TENNESSEE

TO:
DELPHI COMMUNICATIONS INC
PO BOX 330397

NASHVILLE, TN 37203-7503

REQUESTED BY:
DELPHI COMMUNICATIONS INC
PO BOX 330397

NASHVILLE, TN 37203-7503

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT

"INTEGRATED RESOURCE MANAGEMENT, INC."

WAS INCORPORATED OR QUALIFIED TO DO BUSINESS IN THE STATE OF TENNESSEE ON THE
ABOVE DATE, AND THAT THE ATTACHED DOCUMENT(S) WAS/WERE FILED IN OFFICE ON THE
DATE(S) AS BELOW INDICATED:

REFERENCE NUMBER	DATE FILED	FILING TYPE	FILING ACTION
2088-0027	02/20/1991	CHART-PROFIT	NAM DUR STK PRN OFC AGT INC MAL FYC
4400-1924	04/01/2002	AN RPT	

FOR: REQUEST FOR COPIES

ON DATE: 10/23/02

FROM:
DELPHI COMMUNICATIONS INC
P.O. BOX 330397

NASHVILLE, TN 37203-7503

FEEs

RECEIVED: \$60.00 \$0.00

TOTAL PAYMENT RECEIVED: \$60.00

RECEIPT NUMBER: 00003160556
ACCOUNT NUMBER: 00005824



SS-4458

Riley C Darnell

RILEY C. DARNELL
SECRETARY OF STATE

Secretary of State
Division of Business Services
312 Eighth Avenue North
Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

ISSUANCE DATE: 09/23/2002
REQUEST NUMBER: 02266122
TELEPHONE CONTACT: (615) 741-6488

CHARTER/QUALIFICATION DATE: 02/20/1991
STATUS: ACTIVE
CORPORATE EXPIRATION DATE: PERPETUAL
CONTROL NUMBER: 0237604
JURISDICTION: TENNESSEE

TO:
INTEGRATED RESOURCE MANAGEMENT, INC.
AT: JEFFREY W. COX
3444 SAINT ANDREWS D
BANEERRY, TN 37890

REQUESTED BY:
INTEGRATED RESOURCE MANAGEMENT, INC.
AT: JEFFREY W. COX
3444 SAINT ANDREWS D
BANEERRY, TN 37890

CERTIFICATE OF EXISTENCE

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT
"INTEGRATED RESOURCE MANAGEMENT, INC."

IS A CORPORATION DULY INCORPORATED UNDER THE LAW OF THIS STATE WITH DATE OF
INCORPORATION AND DURATION AS GIVEN ABOVE;
THAT ALL FEES, TAXES, AND PENALTIES OWED TO THIS STATE WHICH AFFECT THE
EXISTENCE OF THE CORPORATION HAVE BEEN PAID;
THAT THE MOST RECENT CORPORATION ANNUAL REPORT REQUIRED HAS BEEN FILED
WITH THIS OFFICE; AND
THAT ARTICLES OF DISSOLUTION HAVE NOT BEEN FILED; AND
THAT ARTICLES OF TERMINATION OF CORPORATE EXISTENCE HAVE NOT BEEN FILED

FOR: REQUEST FOR CERTIFICATE

ON DATE: 09/23/02

FROM:
INTEGRATED RESOURCE MANAGEMENT, INC.
PO BOX 642

	FEES	
RECEIVED:	\$20.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$20.00

WHITE PINE, TN 37890-0642

RECEIPT NUMBER: 00003147616
ACCOUNT NUMBER: 00406005



EXHIBIT L

Riley C Darnell

RILEY C. DARNELL
SECRETARY OF STATE

CORPORATION ANNUAL REPORT

4400 1924

Annual Report Filing Fee Due:

\$20, if no changes are made in block #6 to the registered agent/office, or
\$40, if any changes are made in block #6 to the registered agent/office

Please return completed form to:
TENNESSEE SECRETARY OF STATE
Attn: Annual Report
312 Eighth Ave. N, 6th Floor
William R. Snodgrass Tower
Nashville, TN. 37243

NEXT FISCAL YEAR CLOSING MONTH: 12

IF DIFFERENT,

CORRECT MONTH IS

THIS REPORT IS DUE ON OR BEFORE 04/01/02

(1) SECRETARY OF STATE CONTROL NUMBER: 0237604

(2A.) NAME AND MAILING ADDRESS OF CORPORATION:

INTEGRATED RESOURCE MANAGEMENT, INC.

3444 ST. ANDREWS DR.

BANE BERRY, TN 37890

|||||

D 02/20/1991

FOR PROFIT

(2B.) STATE OR COUNTRY OF INCORPORATION:

TENNESSEE

(2C.) ADD OR CHANGE MAILING ADDRESS:

(3) A. PRINCIPAL ADDRESS INCLUDING CITY, STATE, ZIP CODE:
3444 ST. ANDREWS DR., BANE BERRY, TN 37890

B. CHANGE OF PRINCIPAL ADDRESS:

STREET

CITY

STATE

ZIP CODE + 4

(4) NAME AND BUSINESS ADDRESS, INCLUDING ZIP CODE, OF THE PRESIDENT, SECRETARY AND OTHER PRINCIPAL OFFICERS.
(ATTACH ADDITIONAL SHEET IF NECESSARY.)

TITLE

NAME

BUSINESS ADDRESS

CITY, STATE, ZIP CODE + 4

PRESIDENT

JEFFREY W. COX, SR.

3444 ST. ANDREWS DR.

Baneberry, TN 37890

SECRETARY

MARIAN J. COX

3444 ST. ANDREWS DR.

Baneberry, TN 37890

(5) BOARD OF DIRECTORS (NAMES, BUSINESS ADDRESS INCLUDING ZIP CODE). (ATTACH ADDITIONAL SHEET IF NECESSARY.)

OR LISTED BELOW:

NAME

BUSINESS ADDRESS

☒ SAME AS ABOVE ☐ NONE

CITY, STATE, ZIP CODE + 4

(6) A. NAME OF REGISTERED AGENT AS APPEARS ON SECRETARY OF STATE RECORDS:

JEFFREY W. COX, SR.

B. REGISTERED ADDRESS AS APPEARS ON SECRETARY OF STATE RECORDS:

3444 ST. ANDREWS DR, BANE BERRY, TN 37890

C. INDICATE BELOW ANY CHANGES TO THE REGISTERED AGENT NAME AND/OR REGISTERED OFFICE.

(I). CHANGE OF REGISTERED AGENT:

(II). CHANGE OF REGISTERED OFFICE:

STREET

CITY

STATE
TN

ZIP CODE + 4

COUNTY

(7) A. THIS BOX APPLIES ONLY TO NONPROFIT CORPORATIONS. OUR RECORDS REFLECT THAT YOUR NONPROFIT CORPORATION IS A PUBLIC BENEFIT OR A
MUTUAL BENEFIT CORPORATION AS INDICATED: IF BLANK OR INCORRECT, PLEASE CHECK APPROPRIATE BOX:

☐ PUBLIC
☐ MUTUAL

B. IF A TENNESSEE RELIGIOUS CORPORATION, PLEASE CHECK BOX IF BLANK.

☐ RELIGIOUS

(8) SIGNATURE

(9) DATE

01-17-02

TYPE PRINT NAME OF SIGNER:

JEFFREY W. COX, SR.

(11) TITLE OF SIGNER

President

** THIS REPORT MUST BE DATED AND SIGNED **



EXHIBIT M

CONTINUED ON BACK



Petition of a Wastewater Company, IRM Utility, Inc.

for a

Certificate of Public Convenience and Necessity for an Investor Owned Utility

Key Personnel of IRM Utility, Inc.

Mr. E. Dana Cox, Jr., Chief Financial Officer

Mr. E. Dana Cox, Jr. has over 40 years experience in the management of multi-million dollar businesses. He has worked mainly in the industry of public broadcasting since acquiring his Masters of Arts at The Ohio State University in 1963. During his tenure he has received certificates and awards:

- Certificate (Supervisory Management) Educational Broadcasting Institute, Chicago, Illinois, 1968
- Certificate (Financial Management) Educational Broadcasting Institute, New York, New York, 1972
- Certificate (Rights, Responsibilities, & Regulations of Broadcasting) Educational Broadcasting Institute, Cincinnati, Ohio, 1973
- Certificate (Long Range Planning & Financial Planning) American Management Association, Toledo, Ohio, 1973

Mr. Cox's experience in a highly monitored federal accounting of a public service business will be of great benefit to the utility. Mr. Cox will be Chief Financial Officer for the utility and will be appointed as a member of the board of directors for IRM Utility, Inc. He will be in charge of the financial management of the company, long range financial management, and the management of routine billing and collections.

Mr. William H. Eaton, Class IV Wastewater Operator

Mr. William H. Eaton of Goodlettsville, Tennessee is providing services as our utility operator. Mr. Eaton has a Grade IV Wastewater Operator and Grade IV Water Treatment Operator's license. He has been working in the industry since acquiring his Master of Science Degree from the University of Tennessee in 1987. He also acquired his Bachelor of Science Degree with high honors in 1984 while attending the University of Tennessee. Among the positions that he has held is management and operations of Municipal Wastewater plants with daily flows exceeding 100,000,000 gallons. He has gained experience in the

management of sewage sludge and municipal sewage waste, composting facilities, as well as drinking water treatment and distribution systems. He also has experience with hazardous materials, and the homeland security programs and policies. Mr. Eaton will be able to employ a sound maintenance and monitoring program.

Mr. Jeffrey W. Cox, Sr., Technical Director and C.E.O.

Jeffrey W. Cox, Sr., the founder of IRM Utilities, Inc., has assessed tens of thousands of sites for considerations with wastewater disposal. He has been involved in the management and monitoring of over 1,000,000 tons of municipal wastewater sludge (Biosolids) over the last twenty-two years. As an agricultural consultant Mr. Cox has sampled over 40,000 acres of farmland, and has made recommendations for irrigation on thousands of acres. His environmental business has accomplished the mitigation and restoring of wetlands and streams. Combining his field experience in soil classification, agronomy, and geomorphology with his education of a B.S. in Microbiology from The Ohio State University, Mr. Cox can provide unique and thorough site evaluations.

Mr. Cox has owned and operated a private business in Tennessee since 1980. He has used Brookside Laboratories for over 22 years performing all types of environmental analysis and monitoring. He worked with the County of Jefferson County mapping soils for the Soil Survey Party of the USDA, Soil Conservation Service. He also worked with the Tennessee Department of Health and Environment as a soil scientist for the Knox County Health Department.

Mr. Michael Gibson, Technical Director of Operations

Mr. Michael Gibson has been involved in hundreds of residential and commercial construction projects over the last ten years in Tennessee. He has been in charge of confirming conformance to design standards and plans. Mr. Gibson has managed multiple construction crews as well as manufacturing crews in light industry. Working with industry he has gained experience with hazardous materials storage and handling. As quality control and quality assurance manager he has worked with customizing problem applications. Mr. Gibson will be in charge of treatment system plans conformance.

Mrs. Marian Cox, Office Manager

Marian Cox graduated with an Associate of Science Degree in Dental Hygiene from Shawnee State College in 1977. As a dental hygienist she has had almost 9 years of dental office experience before starting with Environmental Soil Consulting in 1986. There she was responsible for all aspects of office management, including filing, bookkeeping, working reception, and other office management.

Mr. W. Scott Williams, Utility Engineer and Systems Quality Control

Mr. Williams earned his degree in engineering from Vanderbilt University. He is also a Registered Land Surveyor. His experience with considerable time working with utilities with utility design, feasibility studies, layout and construction will be very advantageous to the utility. W. Scott Williams and Associates is a small firm focused on service to select clients throughout East Tennessee. The land surveying branch of the company was created by Willard Martin, RLS, in 1957 and is well established. Bill Williams, RLS, joined to create Martin-Williams and Associates in 1973. In 1999, Scott Williams, PE, RLS, joined and formed W. Scott Williams and Associates. The firm now specializes in residential and commercial land development and utility design through application of Civil Engineering and Land Surveying practices. Clients range from private land developers to utility districts in Knoxville and surrounding areas. The firm constantly seeks a balanced workload to insure maximum quality of product and abundant client attention.

Seay's Country Store

785 Highway 107, South
Del Rio, Tennessee 37727

January 20, 2003

Board of Directors
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Certificate of Public Convenience Necessity

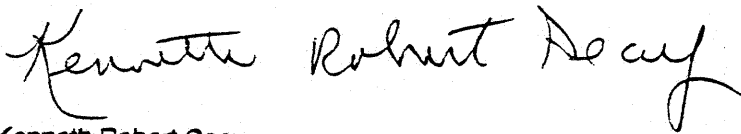
Dear Sir(s) or Madam(s):

I own and operate Seay's Country Store in Del Rio, Tennessee. Mr. Jeffery Cox of Environmental Soil Consulting and Integrated Resource Management has recently prepared mandatory permit requirements for a wastewater system at my business. Mr. Cox has done an excellent job and I am very confident of his abilities. I am requesting that Integrated Resource Management Utility Inc. of White Pine, Tennessee operate my system as a privately owned public utility company in the near future.

Mr. Cox has informed me that in order to service my business as a utility company it would be necessary for IRM Utility, Inc. to petition for a Certificate of Public Convenience and Necessity from the Tennessee Regulatory Authority and Board of Directors.

I would like to request that IRM, Utility, Inc. be able to operate the system at Seay's Country Store. I understand IRM Utility, Inc. has plans to petition for a Certificate of Public Convenience and Necessity with utility status. I would greatly appreciate your help in granting this request. Thank you in advance for your consideration regarding this matter.

Sincerely,



Kenneth Robert Seay
Owner
Seay's Country Store

EXHIBIT 0

January 9, 2003

Board of Directors
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

RE: Certificate of Public Convenience and Necessity

Dear Sirs/Madams,

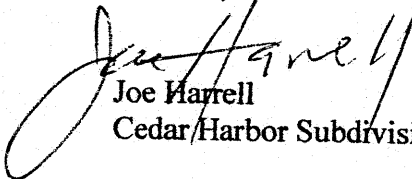
I have developed Cedar harbor Subdivision in Talbott, Tennessee. We constructed a large subsurface sewage disposal system service 30 lots. This system has been approved by the Tennessee Department of Environment and Conservation under the premise that a property owners association would operate it. The purpose of this correspondence is to act as a letter of intent for our system to be operated by IRM Utility, Inc. and to serve as a personal reference for Jeffrey Cox and IRM Utility, Inc.

Mr. Jeffrey Cox of Environmental Soil Consulting and Integrated Resource Management worked with me to prepare necessary permitting requirements for many aspects of the development. He has done an excellent job and we are requesting the Integrated Resource Management, Inc. (IRM Utility, Inc.) of White Pine, Tennessee operate our system as a privately owned utility company in the near future.

Mr. Cox has indicated IRM, Inc. would need to petition for a Certificate of Public Convenience and Necessity from the Tennessee Regulatory Authority and the Board of Directors in order to service us as a utility company. We understand that IRM, Inc. is petitioning for a Certificate of Public Convenience and Necessity with Utility status and would appreciate your help in granting this request.

Thank you.

Sincerely,



Joe Harrell
Cedar/Harbor Subdivision

Lexington- Simmons, LLC

6816 Shinnecock Ln.

Knoxville, TN 37918-9542

Ph. (865) 219-6102 Fax (865) 281-9951

April 24, 2003

Board of Directors
Tennessee Regulatory Authority
460 James White Parkway
Nashville, TN 37243-0505

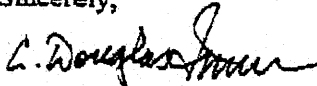
RE: Certificate of Public Convenience and Necessity

I am a General Partner in a partnership for a development near Rockwood, Tennessee currently named Johnson Bend. Johnson Bend Partnership has purchased 1157 acres of prime real estate on Watts Bar Lake. Plans are to develop the property into multiple uses including up to 1900 single and multi-family dwellings, condominiums, a marina, and possibly other amenities such as a golf course. The purpose of this letter is to serve as a letter of intent for our waste water system to be managed and operated by IRM Inc., a privately owned, public utility company, and to serve as a personal reference for Mr. Scott Williams and his company. We feel that his company will provide a high quality of service until the development can justify the extension of public sewer from Roane County.

Mr. Williams, owner of W. Scott Williams & Associates and part owner of IRM Inc., has worked with me to prepare the necessary permitting and plan requirements for many aspects of my developments. He has done an excellent job and I regard him as a most competent professional in his field. I am therefore requesting IRM Inc. operate our sanitary sewer system when online.

Mr. Williams has indicated IRM Inc. would need to petition for a Certificate of Public Convenience and Necessity from the Tennessee Regulatory Authority and the Board of Directors in order to serve as a utility company. I understand that IRM Inc. is making such a petition and would highly recommend Mr. Williams and his company. I appreciate your help in expediting this request.

Sincerely,



C. Douglas Irwin
Chief Manager

DEVELOPMENT SERVICES

LEE T. GAMBLE

January 16, 2003

Board of Directors
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: Certificate of Public Convenience and Necessity

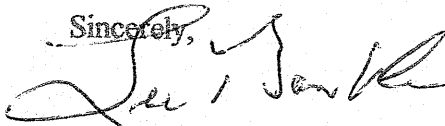
Dear Sirs/Madams:

I am developing Wild Pear Shores Subdivision in Dandridge, Tennessee. We are in the process of installing the first phase of a large subsurface sewage system that will ultimately serve 33 lots. This system has been approved by TDEC under the premise that it would be operated by a property owner's association. The purpose of this letter is to serve as a letter of intent for our system to be managed and operated by a privately owned, public utility company, IRM Utility, Inc. and to serve as a personal reference for Mr. Jeffrey Cox and his company.

Mr. Cox, owner of Environmental Soil Consulting and Integrated Resource Management has worked with me to prepare the necessary permitting requirements for many aspects of the development. He has done an excellent job and I regard him as a most competent professional in this field. I am, therefore, requesting Integrated Resource Management, Inc. (IRM Utility, Inc.) of White Pine, Tennessee operate our system as a privately owned public utility company.

Mr. Cox has indicated IRM, Inc. would need to petition for a Certificate of Public Convenience and Necessity from the Tennessee Regulatory Authority and the Board of Directors in order to serve as a utility company. I understand that IRM, Inc. is making such a petition and would highly recommend Mr. Cox and his company. I appreciate your help in expediting this request.

Sincerely,



Lee T. Gamble

118 Court Avenue, Suite 2, Sevierville, TN. 37862
Telephone 865/429-0308 Fax 865/429-0079

JAMIE HAGOOD
REPRESENTATIVE
17TH LEGISLATIVE DISTRICT

202-A WAR MEMORIAL BUILDING
NASHVILLE, TENNESSEE 37243
(615) 741-1648
1-800-449-8366 Ext. 11648
FAX (615) 532-8221

House of Representatives
State of Tennessee

NASHVILLE

MEMBERS OF COMMITTEES
COMMERCE
EDUCATION

REPUBLICAN FLOOR LEADER

E-MAIL:
rep.jamie.hagood@legislature.state.tn.us

January 30, 2003

Board of Directors
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Certificate of Public Convenience and Necessity

Dear Sirs/Madams:

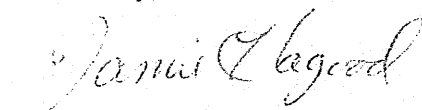
I would like to take this opportunity to express my support of Mr. Jeffrey W. Cox, Sr., Executive Technical Director of IRM Utility, Inc. in his petition of Public Convenience and Necessity from the Tennessee Regulatory Authority and the Board of Directors in order to service as a utility company. Integrated Resource Management Utility, Inc. of White Pine, Tennessee, is proposing to install onsite wastewater treatment in Sevier County in areas where municipal or county sewers are not available.

In all my dealings with Mr. Cox, I have found him to be thoughtful, diligent, well prepared and thorough. He has a very strong work ethic and completes tasks in a very professional manner. Please use this information as a personal reference for Mr. Cox and contact me for further information if necessary.

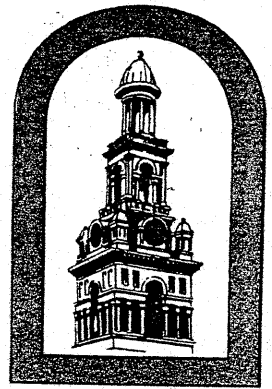
I respectfully request your utmost consideration of this request. As this matter is of great importance to the community impacted, I know that you are aware that time is of the essence regarding this petition.

Thank you for your time. Please feel free to contact me if I may be helpful.

Sincerely,


Jamie Hagood

pf



SEVIER COUNTY
HEALTH DEPT.

MIKE BLAZER
Director of
Environmental Health

Post Office Box 4648
227 Cedar Street
Sevierville, Tennessee 37864
Office (865) 429-1766
Fax: (865) 429-1965

January 27, 2003

Board of Directors
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

RE: Certificate of Public Convenience and Necessity

Dear Sirs/Madams:

Please be advised that Integrated Resource Management Utility, Inc. of White Pine, Tennessee is proposing to install onsite wastewater treatment in Sevier County in areas where municipal or County Sewers are not available. These areas are numerous due to the terrain, which makes gravity sewer installation difficult and expensive.

Jeffrey Cox and myself worked on the Environmental Health Staff at the Knox County Health Department beginning in 1985 and I have worked or had knowledge of his projects since that time. His work is completed in a professional manner and he has the knowledge to design and complete these types of sewage disposal systems. Please use this information as a personal reference for Mr. Cox and contact me for further information if necessary.

Mr. Cox has indicated that he would need to petition for a certificate of Public Convenience and Necessity from the Tennessee Regulatory Authority and Board of Directors in order to service us as a Utility Company. We would appreciate your help in granting this request.

Sincerely,

A handwritten signature in cursive script that reads "Mike Blazer".

Mike Blazer,
Director of Environmental Health
MB/bh



P.O. Box 642
3444 Saint Andrews Drive
White Pine, Tennessee 37890
Phone (Vol) 674-0828
Facsimile (Vol) 674-2352
Toll Free (877) 746-2910

Cove Mountain Realty, Inc.
3174 Wears Valley Road
Sevierville, Tennessee 37862

This Agreement made and entered into this ____ day of June, 2003, by and between IRM Utilities, Inc., a Tennessee Corporation, hereinafter referred to as "Utility" and Cove Mountain Realty, Inc., hereinafter referred to as "Developer".

For and in consideration of valuable consideration, the receipt of all which is acknowledged, the parties hereto enter into the following agreement:

TERMS

Particularly that the Utility will in the future be responsible for the repair, maintenance, and replacement of the sewage collection, treatment, and disposal system to be installed to serve this development and to maintain the total system, and other good, and the Developer shall install a sewage collection, treatment, and disposal system (hereinafter "System") to serve the Cove Mountain Realty office, hereinafter referred to as the "Development", and shall do so in accordance with those drawings, plans, and specifications as approved by the Utility's engineers.

The Developer shall, at its sole expense (including all fees and construction costs), perform all of the necessary work for the installation of said System in accordance with the drawings, plans, and specifications referred to hereinbefore.

Construction of the System shall be subject to the supervision and approval of the Utility's engineers and representatives, who shall have a right of inspection throughout the progress of the work. Developer agrees that it shall not backfill soils over or cover any pipe, fittings, or connections until first inspected and approved by the Utility.

If, prior to the actual installation of the facilities provided for in the plans and specifications, the Plat of the Subdivision shall be changed by mutual agreement of the parties hereto, then such changes shall be deemed incorporated in this contract as though set out herein. A copy of any such changed plans shall be attached to this agreement and made a part hereof.

The Utility will petition the Tennessee Regulatory Authority for a Certificate of Public Convenience and Necessity (CCN) for the Development. The funds paid to the Utility will be used at the discretion of the Utility to perform this function. The funds are non-refundable in the event the petition is not granted for any reason whatsoever. The Utility does not guarantee that a CCN will be granted for the Development. The Utility will be held harmless for any and all prior and future financial obligations the Developer incurs related to this Development.

The Developer shall have the duty to immediately repair, at its own cost and expense, all breaks, leaks, or defects in the System, of any type-whatsoever, which occur within one (1) year from the date the System is accepted by the Utility. In the event that Developer shall fail to make such immediate repairs then the Utility shall be authorized to make such repairs at the sole expense of the Developer.

The developer will supply as built plans with an operations manual for said system.

The developer will facilitate and execute Restrictive Covenants and Bi-Laws (Bi-Laws) of the Development that provide or indicate: a service agreement or contract between the owner and the Utility will be required by each homeowner to establish wastewater service, the Utility will charge an initial fee or tap fee and a monthly fee, the fee is to be determined and will be established by a proposal to the Tennessee Regulatory Authority (TRA), and a description of the Septic Tank Effluent Pumping system that is approved by the engineers of the Utility. It will be stipulated that only the approved system or equal that is approved by the Utility can be utilized.

The Developer shall install service connections for all service sewers to the property line, common area, or easement of each lot or building site in said subdivision. Watertight tanks and service connection lines may be installed by builder or developer at their respective expense. The septic tank effluent pumping (STEP) system will be as approved by the Utility.

Nothing herein contained shall abridge the Utility's right to extend this System as it deems appropriate.

The Developer hereby represents and warrants that all materials incorporated into the System, and all of its subcontractors, shall be paid for in full upon

completion of the installation of the System and that no liens or encumbrances shall remain for the installation of said work.

The Developer hereby represents and warrants that the System will be in conformance with the foregoing provisions, and the plans and specifications above mentioned, and that written easements will be provided five feet (5') in width on each side of the center line of all sewers installed hereunder, other than sewers along public right-of-way.

It is agreed that the Utility shall have exclusive ownership of the System in the subdivision and the Developer shall convey to the Utility, free and clear of all encumbrances.

In Witness Whereof, the parties hereto have entered into this agreement as of the day and date first written above.

Utility – IRM Utility, Inc.

Developer

Jeffrey W. Cox, Sr.

Gerald L. Miller / Owner

Date

Date

Chuck A. McGinnis / Owner

Date



P.O. Box 642
3444 Saint Andrews Drive
White Pine, Tennessee 37890
Phone (Vol) 674-0280
Facsimile (Vol) 674-2352
Toll Free (877) 746-2910

Commercial Sewer Service Agreement

This agreement entered into between **IRM** Utility, Inc., a Tennessee Corporation, Hereinafter called "**IRM** Utility" and _____
Hereinafter called "customer."

WITNESSETH

Whereas, customer desires to purchase sewer services from **IRM** Utility and to enter into a sewer service agreement and IRM Utility desires to provide sewer services.

Now therefore, in consideration of the mutual covenants, promises, and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows:

In compliance with laws and environmental regulation set forth by the state of Tennessee, **IRM** Utility shall provide sewer services to the customer's property located at the following address:

Address: _____
City/State: _____
Lot or Parcel#: _____
Subdivision: _____

The customer agrees to grant to **IRM** Utility, its successors and assigns, a perpetual easement in, over, under and upon the above described land, with the right to erect, construct, install and maintain sewer system components. The customer shall be responsible for operation and repair of the outfall line to the septic tank and all plumbing in structures on the property described above and.

The customer agrees to follow the guide lines set forth in the List of Required Practices and Biological System User Manual.

IRM Utility shall be responsible for operation and repair of all components of the sewer system starting at the septic tank as described above and all elements of the STEG (septic tank effluent gravity) or STEP (septic tank pumping) system.

The customer agrees to pay a security deposit of \$60.00 and to pay for sewer service in accordance with authorized rate schedules present and future and to use same in accordance with applicable rules and regulations that have been provided. The time and place of payment will be as set forth by **IRM** Utility.

IRM Utility shall purchase and install a cut-off valve and shall have exclusive right to use such valve.

The failure of customer to pay sewer service charges duly imposed shall result in the imposition of the following penalties:

1. Payment after the due date will be subject to a penalty of five percent of the delinquent account.
2. Nonpayment within thirty days from the due date will result in the sewer service being shut off from the customer's property, with no final notice being sent.
3. In the event it becomes necessary for **IRM** Utility to shut off the sewer service from the customer's property, a fee of \$10.00 will be charged for disconnection of the service.
4. Before the service can be reconnected, all charges must be paid, including a re-connection fee of \$15.00.
5. A \$29.00 service charge will be applied for any returned checks.
6. Will give **IRM** Utility the right as provided by the Property Owners Association and/or Restrictive Covenants to levee properties as spelled out in such documents.

This agreement shall remain in effect for the duration of time that the customer owns the above described property.

IN WITNESS THEREOF, we have executed this agreement this _____ day of _____, 2003.

IRM Utility, Inc.

President

Customer



P.O. Box 642
3444 Saint Andrews Drive
White Pine, Tennessee 37890
Phone (Vol) 674-0828
Facsimile (Vol) 674-2352
Toll Free (877) 746-2910

List of Required Practices

BIOLOGICAL SYSTEM USER MANUAL

The ability of your natural and biological systems performance is affected by the materials introduced into the system. The following is a summary of some of the items that are bad management and good management practices. A knowledgeable user can prevent premature failures and eliminate costly repairs.

Items that cause problems and failure of this system are:

- Garbage disposal use
- Excessive sludge or scum accumulation in septic tank
- Improper fabric softeners and whiteners
- Grease and oils from cooking and washing
- Hair
- Disposable and non-disposable diapers, rags, cigarette butts, coffee grounds, feminine hygiene products, plastic and rubber products, condoms, and chemical cleaners
- Any non-biologically degradable substances
- Water usage over design limits

A properly maintained septic tank provides a high degree of treatment and yields an effluent that is relatively free of grease and solids that can clog the effluent. The best practice is not to discharge anything into a septic system that is poisonous or that may inhibit the abilities of the biologically functioning septic tank. A good rule of thumb should be to not discharge anything into the system that can not be ingested. This would not include toilet paper and mild detergents.

The following management practices and recommendations should be followed:

GOOD MANAGEMENT PRACTICES

- Communicate with the operator or the operator's assistant (Operator) if anything about your system is out of the ordinary. Upon the first indication of a visual or audible alarm, call the Operator.
- Contact IRM Utilities, Inc. prior to the installation of any new landscaping or the construction of permanent structures. It will be critical to coordinate any work to ensure that the integrity of the biological system and lines are protected.
- Maintain toilet bowl hardware so as to prevent leaky conditions and excess water use and waste.
- Collect grease in a container rather than pouring down the drain.

POOR MANAGEMENT PRACTICES

- Don't connect rain gutters or storm drains or allow other surface water to get into your septic system.
- Don't use excessive quantities of water. Use water saving devices such as low flow shower heads and low volume flush toilets.
- Don't allow toilets to become a problem. Repair leaky toilets, faucets, or plumbing fixtures (leaky toilets can result in flows of 1,000 gallons or more per day),
- Don't dump recreational vehicle (RV) waste into your septic tank.
- Don't flush undesirable substances into the sewer. **Flushing flammable and toxic products is a dangerous practice.** Other materials such as paper towels, rags, newspapers, cigarettes, coffee grounds, egg shells, sanitary napkins, condoms, large amounts of hair, and cooking grease are a maintenance nuisance and will result in frequent pumping of septage from the tank.
- Don't use garbage disposal systems to dispose of non-biodegradable materials because they increase the amount of solids entering the septic tank and will increase the frequency required for septage pumping. **Do not pour grease down the drain.**
- **Don't drain water softener backwash into the tank.** The backwash brine contains high levels of chlorides that can destroy the balance of the biological system, affect soil performance, and break down components of the system. The brine solution also interferes with the solid's sedimentation that occurs in the tank.
- Don't use special additives in your tank. **Additives do not improve the performance of the septic tanks and can cause major damage to other areas in the collection and treatment system.**
- Don't flush cat litter box medium down the toilets.